



International Warehouse Logistics Association

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IWLA CONVENTION & EXPO
March 18-20, 2012
San Francisco, CA

July 26, 2011

Ms. Cynthia T. Brown
Director, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S. W.
Washington, D.C. 20423-0001

Re: Ex Parte No. 711 - Petition of the National Industrial Transportation League for Rulemaking to Adopt Revised Competitive Switching Rules

Dear Ms. Brown:

On July 7, 2011, The National Industrial Transportation League (NITL) filed with the Surface Transportation Board a petition asking the agency to initiate a rulemaking to adopt revised rules on competitive switching. The petition follows the board's general consideration of competition issues in Ex Parte No. 705, Competition in the Railroad Industry. In the Ex Parte No. 705 proceeding, the board asked for new proposals and solutions to address competitive problems faced by shippers. NITL's petition responds to that request.

The petition outlines the significant changes that have taken place in the railroad industry since the Interstate Commerce Commission adopted rules for reciprocal switching in 1985. The petition also indicates that the agency has the power to change those rules. Most importantly, the petition sets forth a detailed proposal for a new regime of competitive switching, under which competitive switching would be made available to shippers who are served by only a single, Class-1 rail carrier and who lack effective inter- or intramodal competition.

The International Warehouse Logistics Association (IWLA) urges the Surface Transportation Board to grant the National Industrial Transportation League's petition and to issue a Notice of Proposed Rulemaking on the proposal submitted by the League. IWLA believes that the League's proposal represents a fair-and-balanced effort to improve the state of competition in the rail transportation industry. It would provide increased competition for captive shippers without harming the carriers.

IWLA is a trade association of nearly 500 third-party warehouse-based logistics providers (more than 2,000 U.S. 3PL warehouses). IWLA began in 1891 as the American Warehousemen's Association (AWA). In fact, AWA was a founding member of the U.S. Chamber of Commerce. IWLA represents companies that range in size from 10,000-square-foot, single-city warehouses to international companies with more than 25 million square feet of warehouse space in cities all over North America. These facilities are serviced by rail, air, water, and truck. IWLA members employ nearly 100,000 people in North America and are a vital and growing component of the overall logistics industry.

IWLA believes that issuance of a Notice of Proposed Rulemaking on the League's proposal would permit the industry as a whole to comment. This would help guide the board in its effort to improve the state of competition in the rail industry.

Sincerely,

Joel Anderson
President and CEO